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NUCLEAR REGULATORY COMMISSION

10 CFR Chapter I

Issuance of Report on the NRC Regulatory Agenda

AGENCY: Nuclear Regulatory Commission.

ACTION: Issuance of NRC Regulatory Agenda.

SUMMARY: The Nuclear Regulatory Commission (NRC) has issued the *NRC Regulatory Agenda* for the period covering January through June, of 1995. This agenda provides the public with information about NRC's rulemaking activities. The NRC Regulatory Agenda is a compilation of all rules on which the NRC has recently completed action, or has proposed action, or is considering action, and of all petitions for rulemaking that the NRC has received that are pending disposition. Issuance of this publication is consistent with Section 610 of the Regulatory Flexibility Act.

ADDRESSES: A copy of this report, designated NRC Regulatory Agenda (NUREG-0936), Vol. 14, No. 1, is available for inspection, and copying for a fee, at the Nuclear Regulatory Commission's Public Document Room, 2120 L Street, NW. (Lower Level), Washington, DC.

In addition, the U.S. Government Printing Office (GPO) sells the NRC Regulatory Agenda. To purchase it, a customer may call (202) 512-2249 or write to the Superintendent of Documents, U.S. Government Printing Office, Post Office Box 37082, Washington, DC 20013-7082.

FOR FURTHER INFORMATION CONTACT: Michael T. Lesar, Chief, Rules Review Section, Rules Review and Directives Branch, Division of Freedom of Information and Publications Services, Office of Administration, U.S. Nuclear

Regulatory Commission, Washington, DC 20555-0001, Telephone: (301) 415-7163, toll-free number (800) 368-5642.

Dated at Rockville, Maryland, this 18th day of September 1995.

For the Nuclear Regulatory Commission,
David L. Meyer,
Chief, Rules Review and Directives Branch,
Division of Freedom of Information and
Publications Services, Office of
Administration.

[FR Doc. 95-23681 Filed 9-22-95; 8:45 am]

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FEDERAL HOUSING FINANCE BOARD

12 CFR Part 960

[No. 95-26]

Amendment of Affordable Housing Program Regulation

AGENCY: Federal Housing Finance Board.

ACTION: Final rule.

SUMMARY: The Federal Housing Finance Board (Board) is finalizing the provisions of a proposed rule published in the Federal Register on July 28, 1995, amending, in part, the Board's regulation governing the operation of the Affordable Housing Program (AHP). The amendments contained in the proposed rule, and now adopted in final form, authorize a Federal Home Loan Bank (Bank) to set aside a limited portion of its available AHP subsidies to assist first-time homebuyers pursuant to a program meeting specific requirements set forth in the final rule. In addition, the final rule permits a Bank to establish a homeownership set-aside program with requirements different from those specifically set forth, subject to prior approval of the Board.

EFFECTIVE DATE: The final rule is effective on October 25, 1995.

FOR FURTHER INFORMATION CONTACT: Brandon B. Straus, Attorney-Advisor, Office of General Counsel, (202) 408-2589, or Diane E. Dorius, Deputy Director, Office of Housing Finance, (202) 408-2576, Federal Housing Finance Board, 1777 F Street, N.W., Washington, DC 20006.

SUPPLEMENTARY INFORMATION:

I. Statutory and Regulatory Background

Section 10(j)(1) of the Federal Home Loan Bank Act (Bank Act) requires each Bank to establish a program to subsidize the interest rate on advances to members of the Federal Home Loan Bank System (Bank System) engaged in lending for long-term, low- and moderate-income, owner-occupied and affordable rental housing at subsidized interest rates. See 12 U.S.C. 1430(j)(1). The Board is required to promulgate regulations governing the Program. See *id.* § 1430(j)(9); 12 CFR part 960.

Under the Board's AHP regulation, each Bank must make a specified annual contribution to fund its AHP. See 12 CFR 960.10. During each calendar year, each Bank accepts applications for funds from its members during two of four quarterly funding periods, or "rounds." See 12 CFR 960.4. Applications are reviewed and recommended, and AHP funds are awarded to applicants through a competitive scoring process set forth in the AHP regulation. See 12 CFR 960.5. AHP funds are awarded to the applicants whose applications score the highest among all the applications received by the Bank in that funding round. See *id.*

The Board believes that promoting homeownership for first-time homebuyers is a significant part of the mission of the Bank System. In furtherance of that goal, the Board and the Banks recently joined a partnership agreement to promote the President's National Homeownership Strategy to expand homeownership to millions of households by the year 2000. The Board believes that permitting the Banks to direct a portion of their AHP contribution to assist low- and moderate-income, first-time homebuyers is consistent with its commitment to the National Homeownership Strategy. Accordingly, on July 28, 1995, the Board published in the Federal Register a proposal to amend the AHP regulation to authorize a Bank to set aside a portion of its AHP contribution to assist low- and moderate-income, first-time homebuyers to purchase homes. See 60 FR 38768 (July 28, 1995).

II. Summary of Proposed Rule

The proposed rule generally would authorize each Bank to establish a Matched Savings First-Time

Homebuyers' Initiative (Initiative), according to the specific requirements set forth in the proposed rule, under which the Bank would set aside up to the greater of \$1 million or 10 percent of its annual required AHP contribution to be used as matching funds for first-time homebuyers' savings deposits maintained with a Bank member. The proposed rule also would authorize the Banks to establish first-time homebuyer programs with different requirements from those applicable to an Initiative (non-conforming homeownership set-aside programs), with prior approval of the Board.

Under the proposed rule, each dollar of a participating household's savings would be matched by the member with up to three dollars of AHP funds, but no more than \$5,000, to be used by the household to pay for downpayment and closing costs in connection with its first-time purchase of a one-to-four family, owner-occupied property (including a condominium or cooperative housing unit) used as its primary residence. Each Bank would have discretion to determine the appropriate ratio of AHP funds-to-savings of a participating household (with a maximum of three-to-one), which ratio shall apply to all households participating in the Bank's initiative.

Under the proposed rule, members could be pre-approved for participation in an Initiative if they have: (1) Established a dedicated savings account program for eligible households; (2) established a first-time homebuyer policy that defines the qualifications for being a "first-time" homebuyer and that includes financial and other incentives for such first-time homebuyers; and (3) have established or sponsor a homebuyer counseling program.

Under the proposed rule, in order to enroll initially in the program, a household would be required to: (1) Have an income at or below 80 percent of the area median income; (2) meet the requirements of the member's first-time homebuyer policy, (3) open a dedicated savings account with a participating member and agree to a savings schedule; (4) enroll in a homebuyer counseling program; and (5) agree to obtain mortgage financing from the member for the purchase of the home. If, after six months from enrollment, a household were progressing satisfactorily according to its agreed-upon schedule of savings, the Bank would be required to reserve matching AHP funds, as targeted in the savings schedule, in the name of the household, and the household would be notified of acceptance into the Initiative. The household, however, could not draw down the matching

funds unless it had saved for a minimum period of 10 months. The proposed rule would require a household to use matching funds to purchase a home within one year of acceptance in the Initiative (which occurs six months after initial enrollment with the member), or a longer period if the Bank determined that reasonable circumstances justified extension beyond one year.

Under the proposed rule, a home purchased by a participating household with funds received under an Initiative must be subject to a deed restriction, "soft" second mortgage, or other legally enforceable mechanism, pursuant to the requirements set forth in the proposed rule, that would enable the Bank to recapture from the member or directly from the seller a *pro rata* portion of those funds if the home were sold by the initial household to a household that is not low- or moderate-income, within 5 years (or longer, at the discretion of the Bank) from the date of purchase by the participating household. The proposed rule would allow for Bank waiver of the recapture requirement if its imposition would cause undue hardship on the seller.

Under the proposed rule, a Bank would make matching funds available on a rolling, first come, first-served basis. A Bank could make available up to \$1 million of additional AHP funds from the next year's Initiative set-aside if demand for funds under the Initiative exceeded the amount set aside in the current year.

III. Analysis of Public Comments and Summary of the Final Rule

The Board requested public comment, generally, on all aspects of the proposed rule, and specifically requested comment on four specific issues addressed in the proposal: (1) Whether a 5-year retention period for housing assisted under an Initiative is appropriate; (2) whether a Bank should be permitted to commit its AHP contributions from future years if demand for Initiative funds in a given year exceeds that year's set-aside; (3) whether non-conforming set-aside programs should be limited to programs assisting first-time homebuyers or should be permitted to assist other kinds of activities related to homeownership that promote the National Homeownership Strategy; and (4) whether the funding limit established by the proposed rule is appropriate generally, and whether this limit should apply also to non-conforming set-aside programs.

General Comments

The Board received 32 comment letters on the proposed rule. Twenty-six commenters generally supported the proposal. Six commenters, including one Bank, two Bank members, two not-for-profit housing organizations and a real estate company did not support the set-aside of AHP funds for specific purposes. In general, these commenters opposed the proposal because it would reduce the amount of funds generally available to finance other affordable housing projects and activities that would not qualify under the set-aside.

The Board believes limited set-asides are an appropriate way for the Banks to direct AHP funds to specific activities that promote the goals of National Homeownership Strategy and are consistent with the goals of the AHP. Further, the authority for the Banks to establish set-asides for homeownership programs is entirely voluntary. Therefore, a Bank need not establish such a program if it determines that a set-aside is not appropriate in its district. Accordingly, the Board is finalizing the set-aside proposal set forth in the proposed rule with the following changes, taking into account comments received from the public.

Long-Term Retention

Nineteen commenters supported a 5-year retention period for housing assisted under an Initiative. Among these commenters were seven Banks, seven Bank members, one banking trade association, one Bank Advisory Council, one Community Development credit union, and one city. Among the reasons cited by the supporters of a 5-year retention period were that a 5-year retention period: allows a household to build equity in a home; provides a greater incentive for a homeowner to improve his or her property, whereas a longer retention term removes that incentive; reduces the monitoring requirements for the Bank member and the Bank; and eases the potential recapture responsibility of Bank members.

Three commenters supported a retention period longer than 5 years. One commenter supported a 10-year retention period to prevent real estate speculation. Another commenter suggested that a 10-year period would not place an undue monitoring burden on the Banks and would result in a more equitable distribution of AHP funds. One commenter supported a 15-year period, citing the scarcity of resources for low-income housing.

Based on commenters' general support for a 5-year retention period,

the final rule adopts this as the minimum requirement. Further, one Bank member suggested that the provision in the proposed rule exempting a household from the recapture requirement if it sells its home to an income-eligible household within the five-year period creates an unnecessary burden on the member to have to determine the income eligibility of such future home purchasers. The Board also notes that even in cases where the purchasing household does qualify as income-eligible, the subsidy initially received by the seller is not passed on to the purchaser. Therefore, the final rule requires that in all cases where a participating household sells its home prior to the end the 5-year retention period, the household must repay a *pro rata* portion of the funds it received under the Initiative.

Commitment of AHP Contributions From Future Years

Of the 14 comments addressing this issue, the majority specifically supported the provision in the proposed rule permitting a Bank to commit its AHP contributions from future years if demand for Initiative funds in a given year exceeds that year's set-aside. Several commenters noted concern about the potential oversubscription of an Initiative.

In order to address this issue, the final rule requires each Bank to establish a policy that ensures that the Bank enrolls no more households in its Initiative than the Bank can fund with the amount of funds set aside by the Bank for the Initiative in a given year. Under such a policy, the Bank should make projections of the amount of funds necessary to fund all the households enrolled in an Initiative in a given year, so that all enrolled households receive funds according to the agreed-upon savings goals established upon enrollment. The final rule also provides that in cases where demand for Initiative funds in a given year exceeds the amount of set-aside funds available for that year, the Bank may: (1) Make available up to an additional \$1 million from the next year's set-aside of funds under such initiative; and/or (2) establish a waiting list for households meeting the requirements for enrollment, provided that the Bank clearly inform households on the waiting list that there is no guarantee that they will be enrolled.

Non-Conforming Homeownership Set-Aside Programs

The Board specifically requested comment on whether other, nonconforming set-aside programs

proposed by a Bank under § 960.5(g)(2) of the proposed rule should be limited to programs that assist first-time homebuyers, or whether it would be practicable to broaden the language of the proposal to allow for assistance to be provided to other categories of activities related to homeownership that promote the National Homeownership Strategy, such as improving and rehabilitating existing homes and encouraging homeownership strategies that revitalize distressed communities.

Approximately one-third of the commenters supported a homeownership set-aside that did not meet the specific requirements of the matched savings model. Some cited the need for rehabilitation as a community revitalization strategy and/or the need for additional alternatives to meet the goals of the National Homeownership Strategy. Eighteen commenters were opposed to limiting the set-asides to first-time homebuyers, citing the need for renovation of existing homes and revitalization of communities. Two commenters, a Bank and its Advisory Council, supported permitting Banks to set aside AHP funds for disaster relief or other programs to address local needs.

The Board believes that it is appropriate to limit the set-aside to uses consistent with the National Homeownership Strategy. Therefore, the Board has decided to retain the first-time homebuyer requirement for Initiatives established under § 960.5(g)(1). However, the final rule provides that nonconforming homeownership set-aside programs established by a Bank under § 960.5(g)(2) may include homeownership programs that meet those goals of the National Homeownership Strategy that, in the Board's determination, are consistent with the goals and requirements of section 10(j) of the Bank Act, such as providing funds for the purchase or rehabilitation of homes by income-eligible first-time homebuyers and homeowners currently living in overcrowded conditions, unsanitary or unsound premises, unsafe neighborhoods, or neighborhoods that do not offer adequate economic or educational opportunities.

Amount of Available Funds

The Board specifically requested comment on whether the funding limit of the greater of \$1 million or 10 percent of a Bank's annual required AHP contribution: (a) Is appropriate generally; and (b) should apply to other, non-conforming set-aside programs under proposed § 960.5(g)(2), or whether the funding limits for such

other programs should be left to the discretion of the Board. Among the eight commenters addressing this issue, there was general support for the funding limit as applied to an Initiative, but there was not a clear consensus on whether this limit should apply also to a nonconforming set-aside program. One commenter supported allowing the Board to determine the limit for nonconforming homeownership set-aside programs, and two commenters suggested allowing the Banks to determine the limit. The final rule provides that total funding for an Initiative established by a Bank under § 960.5(g)(1) shall be limited to the greater of \$1 million or 10 percent of a Bank's annual required AHP contribution. Funding limits for nonconforming homeownership set-aside programs proposed by a Bank under § 960.5(g)(2) shall be subject to Board approval.

Comments on Other Provisions of the Proposed Rule

Two commenters suggested that the Board should define "first-time homebuyer," rather than permitting each member to establish its own definition, in order to ensure uniform application of the definition. Commenters also suggested that the definition include victims of domestic violence and single heads of households who are in the process of dissolving their marriages and that the definition be consistent with the requirements governing federal tax-exempt mortgage revenue bonds (MRB). See 26 U.S.C. 143(d). In order to establish uniformity within and among the Bank's Initiatives, the Board is adopting the definition of "first-time homebuyer" contained in the Cranston-Gonzalez National Affordable Housing Act of 1990, see Pub. Law 101-625, sec. 104(14), 104 Stat. 4079, 4087 (Nov. 28, 1990) (codified at 42 U.S.C. ch. 130). This definition is consistent with the requirements governing MRBs.

Two Bank members suggested that households with sufficient existing savings should be permitted to receive matching funds without being required to participate in a savings program over time. One not-for-profit housing organization specifically supported the minimum time requirement for savings as a mechanism to help avoid defaults by households that rush into home purchases. The final rule retains the proposed provisions governing the required minimum period for savings. Nothing in the final rule would preclude a household from using existing savings to make deposits in its dedicated savings account established with the member. Further, a program

with alternative savings requirements could be considered by the Board as a nonconforming homeownership set-aside program proposed by a Bank under § 960.5(g)(2).

Some commenters cited the need for flexibility in the savings goal, since some households may experience circumstances that limit their capacity to save on a regular schedule, such as seasonal employment. The final rule clarifies that a household need not make equal deposits of funds at uniform intervals in order to meet the requirement that it make satisfactory progress towards meeting its savings goal. The final rule requires that a household make satisfactory progress in making deposits in its dedicated savings account in a manner that is consistent with the goals of its agreed-upon savings schedule.

Five commenters, including three Bank members, suggested that the requirement that a household purchase a home within one year of acceptance into an Initiative does not allow sufficient time for a household to meet its savings goal and then locate and close on a suitable home. Commenters recommended allowing longer periods ranging from 18 to 36 months. Accordingly, the final rule changes the deadline for the use of Initiative funds to 2 years from the date the Bank reserves matching funds in the name of the household.

One commenter stated that the requirement in the proposed rule that a Bank member verify a household's progress in meeting its savings schedule every six months from the date of each household's acceptance into the Initiative would create an undue burden on the member. The commenter suggested that the member be allowed to set two dates at six-month intervals during the year on which to verify the progress of all households in that member's program. The final rule reflects this change.

Two commenters suggested that the maximum amount of matching funds per household permitted under the proposed rule would be too low, especially in areas with high housing costs. Because a program with a higher matching ratio or a higher dollar limit could be considered for approval by the Board under § 960.5(g)(2), the Board has retained the matched savings requirement for an Initiative in the final rule.

One commenter requested that the proposed rule permit a participating household to obtain a mortgage through an MRB program or from a not-for-profit organization that provides lower-cost funds. The Board believes that member

involvement in mortgage lending for participating households encourages members to be more active in the AHP and in financing affordable housing generally. Lending under an Initiative also will help members meet their obligations under the Community Reinvestment Act. A number of MRB programs use financial institutions to make loans under those programs. Therefore, a member would not be precluded from using an MRB program or collaborating with another funding source to fund a loan it makes to a household under an Initiative. Further, a nonconforming set-aside program allowing the use of a funding source in place of a member could be considered by the Board under § 960.5(g)(2). Therefore the final rule retains the provision of the proposed rule requiring a household receiving funds under an Initiative to agree to obtain mortgage financing from the member with whom it maintains its dedicated savings account. The final rule adds new provisions requiring that mortgage loans provided by members in connection with the use of funds provided under an Initiative shall not be priced above the market rate for a loan of similar maturity and terms.

IV. Regulatory Flexibility Act

The final rule applies only to the Banks, which do not come within the meaning of "small entities," as defined in the Regulatory Flexibility Act (RFA). See 5 U.S.C. 601(6). Therefore, in accordance with section 605(b) of the RFA, *see id.* § 605(b), the Board hereby certifies that this final rule will not have a significant economic impact on a substantial number of small entities.

List of Subjects in 12 CFR Part 960

Banks, banking, Credit, Federal home loan banks, Housing.

Accordingly, chapter IX, title 12, subchapter E, Code of Federal Regulations, is hereby amended as follows:

SUBCHAPTER E—AFFORDABLE HOUSING

PART 960—AFFORDABLE HOUSING PROGRAM

1. The authority citation for part 960 is revised to read as follows:

Authority: 12 U.S.C. 1422a, 1422b, 1430(j).

2. Section 960.4 is amended by revising the first sentence of paragraph (a) to read as follows:

§ 960.4 Applications for funding.

(a) Except as provided in § 960.5(g), the Program is based on District-wide

competitions administered by the Board. * * *

* * * * *

3. Section 960.5 is amended by adding a new paragraph (g) and by revising paragraph (a)(1) to read as follows:

§ 960.5 Project scoring and funding.

(a) *General.* (1) Each Bank will evaluate all applications received pursuant to § 960.4(a) from its members that satisfy the use provisions identified in § 960.3(b).

* * * * *

(g) *Set-aside programs.* Programs established by a Bank under this paragraph (g) shall be priority projects under section 10(j)(3) of the Federal Home Loan Bank Act. For purposes of this paragraph (g), the term "first-time homebuyer" means a first-time homebuyer as defined in 42 U.S.C. 12704(14).

(1) *Programs exempt from prior Board approval.* Without the prior approval of the Board, a Bank may set aside annually up to the greater of \$1 million or 10 percent of its annual required Affordable Housing Program contribution to fund a matched savings first-time homebuyers' initiative that meets all of the following requirements:

(i) *Announcement of available Bank funds.* The Bank shall notify its members of the amount of annual funds available under the initiative;

(ii) *Pre-approval of member participants.* The Bank shall approve a member's participation in the initiative if the member has:

(A) Established a savings account program offering dedicated savings accounts to eligible households;

(B) Established a first-time homebuyer policy that includes financial or other incentives for first-time homebuyers;

(C) Established a homebuyer counseling program based on those offered by or in conjunction with a not-for-profit housing agency or other recognized counseling organization;

(D) Committed that the Bank or member participant will be entitled to recapture of the equivalent amount of the matching funds, as provided in paragraph (g)(1)(xi) of this section;

(iii) *Approval of initial enrollment of households.* Subject to a Bank's policy established under paragraph (g)(1)(iv) of this section, the Bank shall approve the initial enrollment, through the approved member participant, of a household as a potential beneficiary in the initiative, if the household:

(A) Is low- or moderate-income, as defined in § 960.1(g), and is a first-time homebuyer, as of the date of enrollment;

(B) Has opened a dedicated savings account with the member participant and established a schedule of savings into the account;

(C) Has enrolled in a homebuyer counseling program established by the member participant that is based on those offered by or in conjunction with a not-for-profit housing agency or other recognized counseling organization; and

(D) Has agreed to obtain mortgage financing from the member participant for the purchase of a home;

(iv) *Establishment of Bank policy on enrollment.* The Bank shall establish a policy that ensures that the Bank enrolls no more households in its initiative than the Bank can fund with the amount of funds set aside by the Bank for the initiative in a given year;

(v) *Bank reservation of matching funds six months after initial enrollment.* The Bank shall reserve, in the name of the household, matching funds as targeted in the household's schedule of savings for a given year, and shall notify the member participant and household of such reservation, if, six months after the initial enrollment of the household (or, in cases of households enrolled after being on a waiting list under paragraph (g)(1)(x)(B)(2) of this section, and who, for a period of at least six months, have contributed to a dedicated savings account with a member participant), the member participant certifies to the Bank that the household is progressing satisfactorily by participating in the homebuyer counseling program and depositing funds to its dedicated savings account consistent with the goals of its agreed schedule of savings;

(vi) *Verification of household progress.* The Bank shall require the member participant to verify, semi-annually, each participating household's satisfactory progress in completing the homebuyer counseling program and making deposits to its dedicated savings account consistent with the goals of its agreed schedule of savings;

(vii) *Approval of matching funds drawdown.* The Bank shall approve a request from a member participant for matching funds, and shall credit such funds to the member participant's account, if the member participant certifies to the Bank that:

(A) The household made deposits to its dedicated savings account consistent with the goals of its agreed schedule of savings for a minimum of ten months;

(B) Closing on the sale of a home to the household is scheduled to occur within two years of the date the Bank reserved matching funds in the name of the household, or a longer period if the

Bank determines that reasonable circumstances (such as unforeseen hardship, inability to locate a suitable home, or delays in closing on the sale) justified extending such time period for the use of the funds;

(C) The household has completed the required homebuyer counseling program;

(D) The household has received the financial or other incentives committed by the member participant pursuant to its first-time homebuyer policy, and the interest rate on the mortgage loan provided by the member to the household does not exceed the market rate for a loan of similar maturity and terms;

(E) A deed restriction, "soft" second mortgage or other legally enforceable mechanism exists on the household's home that entitles the Bank or member participant to recapture of the equivalent amount of the matching funds, as provided in paragraph (g)(1)(xi) of this section;

(viii) *Amount of matching funds.* Each Bank shall determine the amount of matching funds that it will provide to households receiving funds under its initiative, which amount shall not exceed the lesser of three times the amount of a household's savings in its dedicated savings account or \$5,000;

(ix) *Eligible uses of funds.* Households receiving funds under an initiative may use such funds only for the payment of downpayment or closing costs in connection with the household's purchase of a one-to-four family, owner-occupied residential property (including a condominium or cooperative housing unit) to be used as its primary residence;

(x) *Availability of funds.* In making initiative funds available:

(A) The Bank shall make such funds available on a rolling, first-come, first-served basis;

(B) In cases where demand for initiative funds in a given year exceeds the amount of set aside funds available for that year, the Bank may:

(1) Make available up to an additional \$1 million from the next year's set-aside of funds under such initiative; and/or

(2) Establish a waiting list for households meeting the requirements for enrollment, provided that the Bank clearly inform households on the waiting list that there is no guarantee that they will be enrolled;

(xi) *Long-term requirement—recapture of funds upon resale.* The Bank shall require that a home purchased using funds under an initiative be subject to a deed restriction, "soft" second mortgage or other legally enforceable mechanism that requires that, if the home is sold

prior to the end of a period of not less than 5 years (or such longer period as the Bank may determine in establishing its initiative) from the date of purchase by the initial household:

(A) The Bank or its designee be given notice of the sale; and

(B) The seller be required to repay a pro rata share, except for de minimis amounts determined by the Bank, of the funds provided under the initiative, reduced for every year the seller owned the home, to be repaid from any net gain from the sale of the home after deduction for sales expenses, and to be returned to the Bank to be made available to other households under the Initiative or to other Affordable Housing Program projects, except that the Bank in its discretion may waive such repayment requirement if its imposition would cause undue hardship on the seller, as defined by the Bank;

(xii) *Bank implementation procedures.* Each Bank may establish its own procedures for further implementation of the requirements of this paragraph (g)(1).

(2) *Nonconforming homeownership set-aside programs.* A Bank may set aside a portion of its annual required Affordable Housing Program contribution, in an amount approved by the Board, to implement a homeownership program that does not meet the requirements of paragraph (g)(1) of this section, provided the program satisfies the requirements of 12 U.S.C. 1430(j); meets those goals of the National Homeownership Strategy that, in the Board's determination, are consistent with the goals of the AHP; and receives the prior approval of the Board.

Dated: September 14, 1995.

By the Federal Housing Finance Board.

Bruce A. Morrison,

Chairman.

[FR Doc. 95-23390 Filed 9-22-95; 8:45 am]

BILLING CODE 6725-01-U

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 25

[Docket No. NM-117; Special Condition No. 25-ANM-107]

Special Condition: Boeing Model 727-100, High-Intensity Radiated Fields

AGENCY: Federal Aviation Administration, DOT.

ACTION: Final special condition, request for comments.
